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TAGS: [KIPR](#) [ETRD](#) [KJUS](#) [EIND](#) [EAGR](#) [BR](#)
SUBJECT: Building on Momentum: Sao Paulo Forms IPR Working Group

SUMMARY

11. (U) Through sustained outreach over the last year, Post has successfully raised the profile of IPR problems in the consular district and forged relationships with local business and law enforcement interlocutors as effective means for encouraging improved IPR protection. To build on recent successes, Post created an interagency IPR Working Group (IPRWG) to help strategize and coordinate post's efforts in the IPR arena. The IPRWG takes a broad view of IPR efforts, addressing copyright, patent, and trademark, with a special emphasis on public outreach. The recent arrival of both a National Standards Officer and a DHS Immigration and Customs Enforcement (DHS/ICE) Agent along with the anticipated arrival of a Patent and Trademark Officer later this year should provide a fill-up to our efforts to build on recent momentum in the IPR arena. We also hope to use the Sao Paulo stop of Commerce Secretary Gutierrez's upcoming three-city visit to Brazil to advance this key mission objective. END SUMMARY.

SAO PAULO AND SOUTHEAST: BRAZIL'S COMMERCIAL AND PIRACY CENTER

12. (U) The commercial heart of South America, Sao Paulo is the most prosperous and influential state in Brazil and the home to many of Brazil's business and industrial leaders. Sao Paulo and the rest of its southeast neighbors are also leaders in piracy given the area's population density, relative affluence, and "Tri-border area," the principal gateway for counterfeit goods to enter Brazil from Paraguay. As headquarters to both the governing (PT) and opposition (PSDB) parties, Sao Paulo also exhibits significant political weight. In this context, ConGen Sao Paulo is working to change the IPR landscape here, cognizant that results within our consular district can make a major contribution to reducing piracy and improving IPR protection overall within Brazil. The IPRWG is at the heart of this ongoing IPR strategy, and we will periodically report on its challenges, actions, and successes.

RECENT ACTIONS IN THE SAO PAULO CONSULAR DISTRICT

13. (U) POLITICAL LEVEL ENGAGEMENT: Sao Paulo has been active in engaging public officials regarding state and local IPR policies, with emphasis in the following areas:

-- STATE PIRACY COUNCILS: When Brazil's National Council for Combating Piracy and Other IP Crimes (CNCIP) formulated its Action Plan in early 2005, copyright industry council members were successful in including in that plan a commitment to seek establishment of state anti-piracy councils. It was envisioned that these state councils would focus and organize local anti-piracy efforts while coordinating with the CNCIP in support of national goals. However, formation of these councils has been slow. Outreach by the CG to state political level officials in Sao Paulo was instrumental in getting that state's IPR council finally off the ground in January 2006. The CG has also pressed for formation of a state piracy council in meetings with the Governor of Santa Catarina and the subject will feature prominently in upcoming meetings with the Governors of Parana and Mato Grosso do Sul. We will continue to push for every state in Sao Paulo's Consular District to create an operating State Piracy Council.

-- NATIONAL POLITICAL PARTIES: As Sao Paulo is home to both the ruling party (PT) and the principal opposition party (PSDB), ConGen enjoys excellent access to political insiders. The CG pressed IPR issues in recent meetings with key PSDB and PFL officials. While piracy is unlikely to be a prominent campaign issue, visits such as these have helped ensure that IPR remains on the political radar screen during a presidential election year.

-- MUNICIPAL LEVEL: Post's political outreach extends to the municipal level as well. Coinciding in the second half of 2005 with CNCIP's campaign to intensify retail level police raids in Sao Paulo, Rio de Janeiro, Recife, Belo Horizonte and Brasilia, the CG's

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discussions with then-Mayor of Sao Paulo (now gubernatorial candidate) Jose Serra, ensured swift and focused police action against pirate retail centers in Sao Paulo that had been identified as priorities by U.S. copyright industries. After high-profile raids in the "Stand Center," the Mayor called to thank the CG for bringing the piracy problem there to his attention and asked to "keep the tips coming." Mayor Serra placed Andrea Matarazzo, PSDB insider and Assistant Mayor of downtown Sao Paulo, in charge of coordinating with the Consulate on matters of enforcement. Matarazzo has now been elevated to the position of coordinator of all the city's sub-mayoralities, ensuring that IPR issues will be pursued more broadly throughout Sao Paulo city.

-- FOZ DE IGUAZU: Former Ambassador Danilovich's 2005 visit to the Tri-border, including meetings with the local Federal Customs director, the chief of intelligence for Customs, and Brazil's Federal Intelligence Agency (ABIN), reinforced the importance the USG attaches to improvements in reducing piracy in this area. (Note: INL training funds have been set aside in the area, but a program is not underway yet. End Note.)

14. (U) LAW ENFORCEMENT OUTREACH: Post developed important law enforcement contacts over the last year. These contacts have opened the door for increased collaboration between local law enforcement officials (police and customs) and DHS on piracy, smuggling and money laundering issues.

-- POLICE: EconOfs and post's DHS/ICE agent recently met with Mario Jordao Toledo Leme, the police chief in charge of the downtown Sao Paulo area, which contains the precincts most active in terms of media piracy and counterfeit investigation. As a result of a request made by Leme, DHS officials have agreed to assistance with investigations and prosecutions, particularly in implementing newly enacted state's evidence laws in piracy cases.

-- CUSTOMS AND PORTS: The presence of Customs and Border Patrol (CBP) officials at the port of Santos, as part of the Container Security Initiative, has helped to elevate awareness of smuggling generally, and has been an asset for Brazilian Customs officials in coordinating counterfeit investigations. EconOfs and DHS personnel

have recently visited a number of ports, both sea and air, to discuss piracy enforcement with Customs officials and port authorities. Customs and port officials have been very responsive to our inquiries regarding IPR enforcement and are open to future collaboration, including training opportunities.

15. (U) TRAINING AND PUBLIC OUTREACH: U.S.-funded training is improving the anti-piracy skills of local law enforcement officials, and U.S. speakers and official visitors help expand IPR awareness.

-- IPR ENFORCEMENT TRAINING: In partnership with the local Association for the Defense of Intellectual Property (the Motion Picture Association's enforcement group), AmEmbassy Brasilia is organizing five IPR enforcement training sessions to be held throughout Brazil this year with INL funding. Two sessions, which will reach about 80 law enforcement officers, will be held in Sao Paulo's consular district -- in Porto Alegre and Sao Paulo.

-- U.S. SPEAKERS: In a recent visit, ex-Congresswoman and President of the Association of American Publishers (AAP) Patricia Schroeder met with a working group to discuss fair use issues, and gave a keynote address on protecting copyrights in the publishing field at an event hosted by the Brazilian Association of Author's Rights. Much of the discussion focused on copyright protection for digital works and on using U.S. experience in crafting Brazilian fair use rules. Mrs. Schroeder provided as an example an agreement worked out between U.S. Universities and the AAP entitled "Campus Copyright Rights and Responsibilities." The Public Affairs Section has translated this document into Portuguese, and will be working with Brazilian publishers and copyright associations on ways to reduce piracy in the publishing field. The event attracted significant press and helped generate interest in copyright issues specific to publishing copyright, an area that receives comparatively little interest in Brazil's IPR discussion. Post

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plans to continue to utilize Public Affairs funding and resources to bring additional IPR speakers to the consular district.

-- U.S. OFFICIAL VISITORS: Because of its prominence in commercial affairs, Sao Paulo is a frequent destination for congressional delegations and other USG visitors. These visits often include an IPR component. For example, IPR was a major focus of a 2005 visit to Sao Paulo by Senator Norm Coleman (MN), Chairman of the Western Hemisphere Sub-Committee of the Senate Foreign Relations Committee. The Senator met Minister of Development, Industry and Trade Luis Furlan, and with the powerful Sao Paulo State Federation of Industries (FIESP), as well as exchanged views with leading IPR industry executives. The upcoming visit of Commerce Secretary Gutierrez to Sao Paulo also has a significant IPR component, with emphasis being given to recent copyright enforcement successes.

16. (U) BUSINESS PARTNERSHIPS: Located in the business capital of South America, ConGen Sao Paulo is especially well-placed to engage Brazil's business community. Two of our biggest partners are the American Chamber of Commerce (AmCham) and FIESP. Both have special committees focused on IPR issues with whom we engage frequently. Post also maintains a close working relationship with associations representing local and U.S. IPR interests, such as the Motion Picture Association (MPA), the Business Software Alliance (BSA), and Interfarma. Post and USG visitors actively participate in IPR outreach events organized by and with these business partners, including roundtables on piracy and pharmaceutical patent issues.

THE IPR WORKING GROUP

17. (U) INTERAGENCY PERSPECTIVES: Post recently created an IPR Working Group (IPRWG) to develop a cohesive strategy for capitalizing in the consular district on the improved IPR policy environment in Brazil and to address the systemic and cross-cutting nature of many IPR issues. ConGen Sao Paulo counts with the presence of several members of the interagency community which deal with IPR issues, including: State, Commerce (USFCS), Department of Homeland Security (DHS), and others. Moreover, our numbers at Post are increasing - e.g., the recent arrival of our National Standards

Officer and the addition of a DHS/ICE Agent. Later this year, Sao Paulo will welcome a new employee from the U.S. Patent and Trademark Office (USPTO). Establishment of the IPRWG will build on interagency synergies, allow for better coordination, and ensure that Mission policy and guidance is fully disseminated among sections and agencies at post working IPR issues.

¶9. (U) FULL-COURT PRESS: Post's IPR approach includes engagement with policy makers, public outreach, law enforcement, and private sector players. With the upcoming addition of a USPTO officer, our efforts will begin to be applied more uniformly, as additional attention is given to patent and trademark issues.

¶10. (U) This cable was coordinated with AmEmbassy Brasilia.

Wolfe